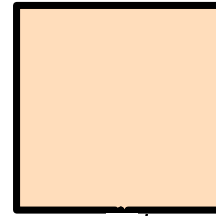
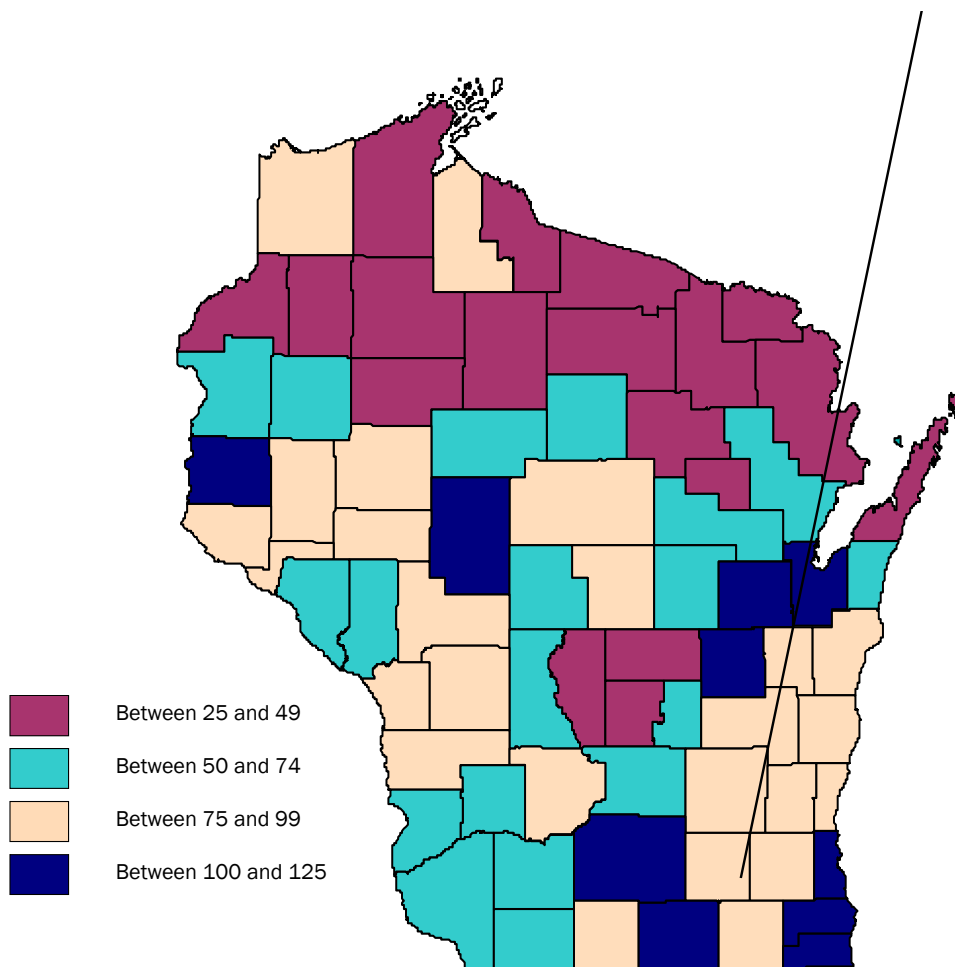


Jefferson County Workforce Profile



The number of residents aged 25-29 years for every
100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

Population trends affect the supply of workers, the ability to attract employers and the demand for goods and services. Jefferson County added roughly 2,575 people or 3.4 percent to its population between the April 2000 Census and the January 2004 population estimates. Together, the City of Watertown, Fort Atkinson and

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Jefferson County	75,767	78,342	2,575	3.4%
Largest Municipalities				
Watertown, City*	13,535	14,217	682	5.0%
Fort Atkinson, City	11,621	11,943	322	2.8%
Jefferson, City	7,208	7,458	250	3.5%
Lake Mills, City	4,843	4,971	128	2.6%
Koshkonong, Town	3,395	3,514	119	3.5%
Waterloo, City	3,259	3,310	51	1.6%
Oakland, Town	3,135	3,252	117	3.7%
Ixonia, Town	2,902	3,190	288	9.9%
Whitewater, City*	2,611	2,808	197	7.5%
Jefferson, Town	2,395	2,252	-143	-6.0%

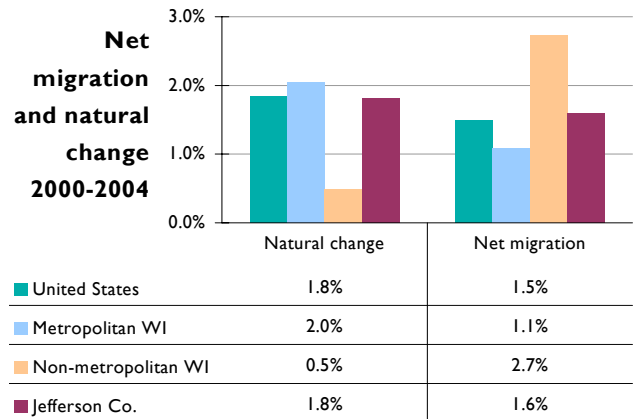
*Jefferson County portion only

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

Ixonia accounted for 37 percent of the county's population and 50 percent of its population growth.

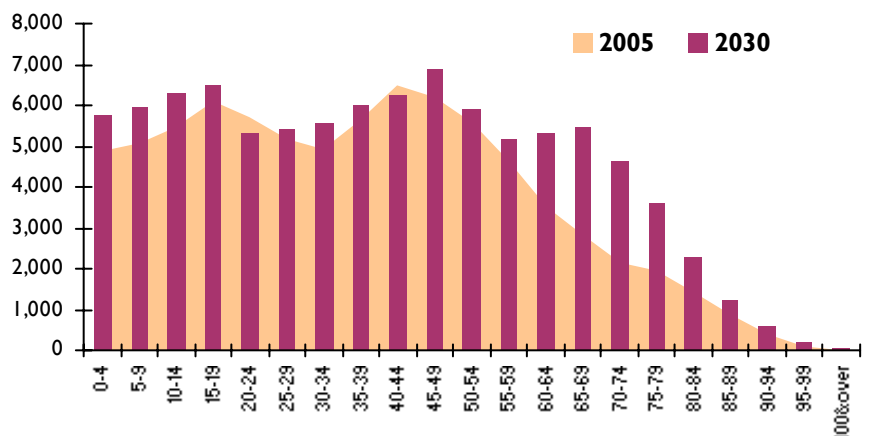
The character of the county's population growth merits closer examination. Jefferson County's natural change rate ((births - deaths) ÷ original population) was faster than non-metropolitan Wisconsin's rate. Academic opportunities in Whitewater, Madison, and the Milwaukee-Waukesha area help Jefferson County retain more young people than the typical non-metropolitan county. Bucking the non-metropolitan trend, net migration (people moving in minus people moving out) was smaller than natural increase. Wisconsin demographers expect natural change of 1,774 between 2000 and 2005, growing to 2,233 between 2015 and 2020 and shrinking to 1,876 between 2025 and 2030.

The graph at the bottom of the page contrasts the age demographics of 2005 (the lighter area) with the age demographics projected for 2030 (the darker bars). Age groups under 60 years old are projected to be a smaller share of the population in 2030 than in 2005. The 60-and-over group will grow from 13,228 people (17% of total population) to 23,227 people (25% of total population). The overall population will grow about 19 percent while the 60-and-over population grows 76 percent. In 2005, projections suggest that 16,603 county residents will be aged 5 to 19 (approximately school ages). By 2030, this number will grow nearly 13 percent to 18,729. Since the 60-and-over population will grow much faster, allocating funding between education and services for the elderly may become more challenging.



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Jefferson County



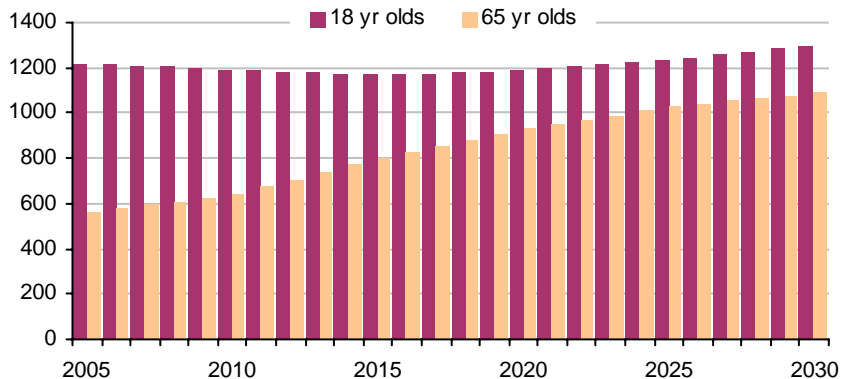
Source: WI Dept. of Administration, Demographic Services

Future Population and Labor Supply

The graph to the right shows how many people will turn 18 each year and how many people will turn 65 each year. Some workers will start their careers later than the age of 18 and some will leave the labor market before reaching 65, but these can be rough proxies for people entering the labor market and people leaving the labor market. Between 2005 and 2030, the number of residents turning 18 each year rises slightly from 1,219 to 1,297; meanwhile the number of residents turning 65 each year grows from 489 to 1,091. This has serious implications for any establishment whose customer base or employee pool includes significant numbers of baby-boomers.

The baby boom (1946 to 1964) was dominated by white, non-Hispanic children. Subsequent increases in national birth rates relied heavily on Hispanic and non-white parents. The graph below shows that even compared to homogeneous Wisconsin, Jefferson County lacks the robust diversity that can help drive labor force growth. For reasons beyond the scope of this profile, the labor force participation rate (the frequency with which people work and look for work) tends to be higher among Hispanic and non-white populations than it is among white non-Hispanic populations.

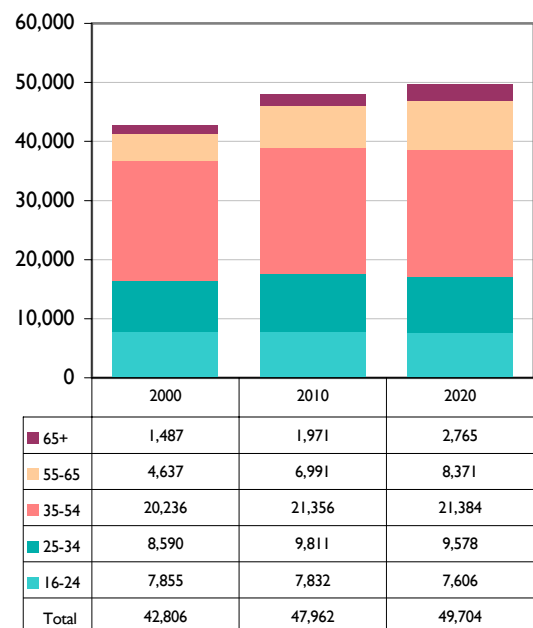
Convergence of 18 & 65 year old population in Jefferson County



Source: WI Dept. of Administration, Demographic Services

Below, the Labor Force Projections by Age graph is based on current participation in Jefferson County with adjustments in each age group based on national projections. Older cohorts are more white and non-Hispanic, so their participation rates may be below national levels. From 1990 to 2000, the labor force grew nearly 16 percent. Between 2000 and 2010, it will grow about 12 percent. In the following decade (2010 to 2020) it will grow just 4 percent. Even changes much milder than predicted could constrain job growth.

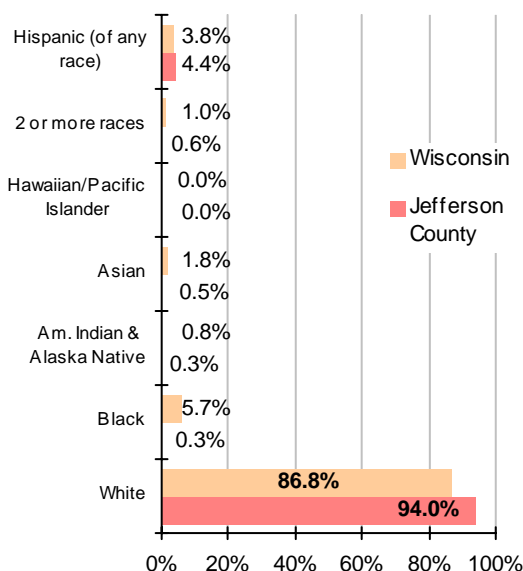
Jefferson County Labor Force Projections by Age



Decade change **15.5%** **12.0%** **3.6%**

Source: DWD, Office of Economic Advisors, August 2004

Race and ethnic distribution



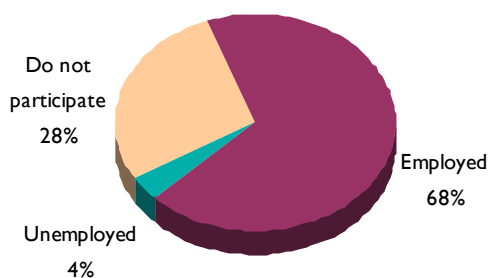
Source: U.S. Census Population Characteristics Estimates, 2002

Current Labor Force

The participation rate is the share of the 16-and-over population that works or seeks work. In 2003, Jefferson County's participation rate (72%) roughly matched Wisconsin's (72.9%) and exceeded the nation's (66.3%). Though higher than in the late 1990s, unemployment as a share of 16-and-over population (4%) was relatively low. As baby-boomers leave the

The unemployment rate graph below shows that Jefferson County's rates generally follow the statewide trend, albeit at lower levels. The county saw more encouraging rates in the second half of 2003 than it had seen in the first half of 2003 and 2004 has been uneven.

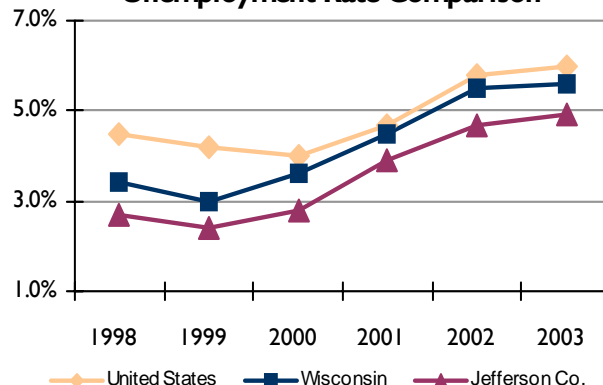
Labor force participation in Jefferson County



Source: DWD, Office of Economic Advisors, July 2004

labor force, they will increase the share of the population that does not participate. It is not clear where employers will find replacements. The pool of unemployed is not exceptionally large and the non-participants include at-home parents and students investing in the future labor force.

Unemployment Rate Comparison



Jefferson County Civilian Labor Force Data

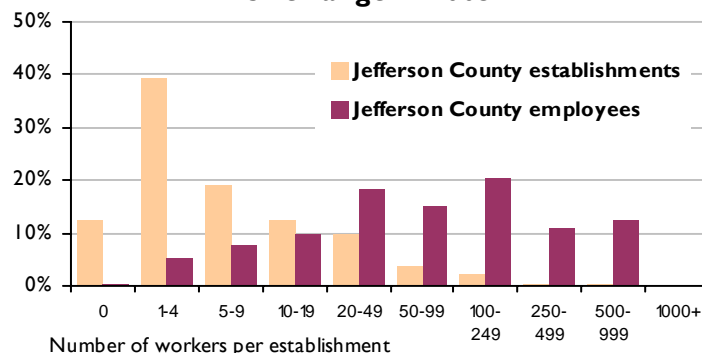
	1998	1999	2000	2001	2002	2003
Labor Force	41,897	41,343	43,277	43,334	42,390	43,028
Employed	40,747	40,344	42,082	41,656	40,392	40,909
Unemployed	1,150	999	1,195	1,678	1,998	2,119
Unemployment Rate	2.7%	2.4%	2.8%	3.9%	4.7%	4.9%

Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Establishments by Size

Roughly 2,050 establishments reported operations in Jefferson County and 1,447 of them reported 19 or fewer employees. The lighter set of bars in the graph shows that the three size classes under 19 employees (1-4, 5-9 and 10-19) together account for 71 percent of the reporting establishments. Meanwhile, less than 17 percent of establishments belong in the five size classes between 20 employees and 999 employees. This contrasts sharply with the darker set of bars, which shows that less than 23 percent of the jobs were with establishments in the under-20-employee size classes, and about 77 percent of jobs were with establishments in the five size classes between 20 employees and 999 employees.

Share of establishments & employers in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industries & employers by size

Listed in upper table on this page, Jefferson County's ten largest industry groups provide roughly 46 percent of the jobs in the county. The food manufacturing industry reported more jobs in March of 2004 than March of 2003, but the March 2004 figure was lower than the March 1999 figure. Job losses in educational services relate to state budgets.

Listed in the table in the middle of this page, Jefferson County's ten largest employers accounted for roughly 19 percent of the jobs in the county. As the people in prime tax-paying years become a smaller share of the population, reliance on public funding (including Medicare or Social Security) could limit employment growth for some establishments.

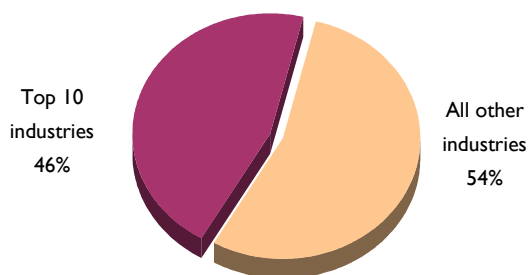
Top 10 Industries in Jefferson County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Educational services	13	2,311	-2	151
Food services & drinking places	134	2,266	122	90
Food manufacturing	20	2,189	411	-203
Administrative & support services	68	1,687	183	562
Nursing & residential care facilities	23	1,628	-95	22
Fabricated metal product manufacturing	26	1,331	-6	-156
Executive, legislative, & gen government	22	1,163	-73	18
Transportation equipment manufacturing	suppressed	suppressed	not avail.	not avail.
General merchandise stores	suppressed	suppressed	not avail.	not avail.
Specialty trade contractors	161	1,010	167	196

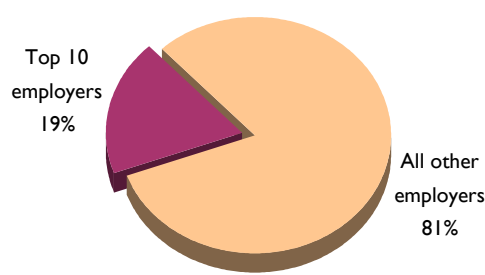
Top 10 Employers in Jefferson County

Establishment	Product or Service	Size (Dec. 2003)
Trek Bicycle Corporation	Motorcycle, bicycle, & parts manufacturing	500-999 employees
County of Jefferson	Executive and legislative offices, combined	500-999 employees
Bethesda Lutheran Homes & Services	Services for the elderly and disabled	500-999 employees
Perry Judd's Inc.	Commercial lithographic printing	500-999 employees
Fort Healthcare	General medical and surgical hospitals	500-999 employees
Watertown Unified School District	Elementary and secondary schools	500-999 employees
Terra Staffing Services Inc.	Professional employer organizations	500-999 employees
Wal-Mart Associates Inc.	Discount department stores	500-999 employees
Aristotle Corp.	Plastics product manufacturing	250-499 employees
Fort Atkinson Public School	Elementary and secondary schools	250-499 employees

Share of jobs in top 10 industries in Jefferson County

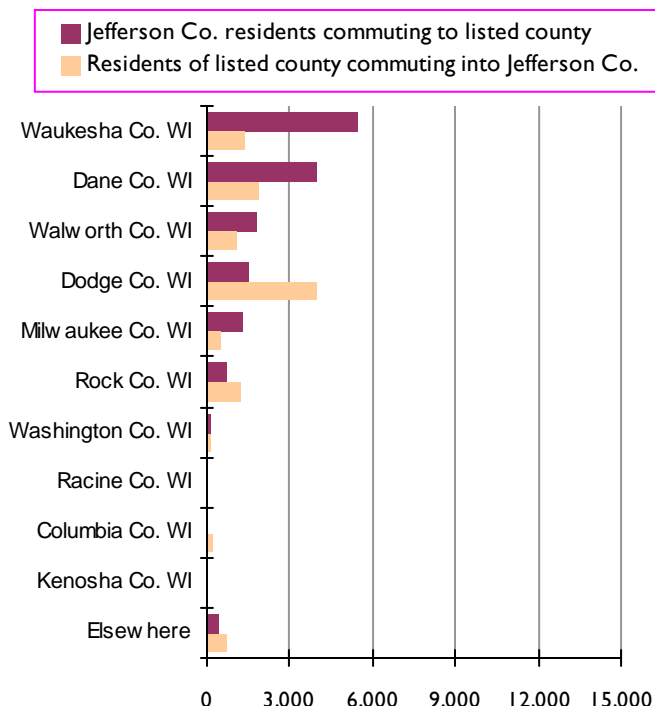


Share of Jefferson County jobs with top 10 employers



Commuting

The 2000 Census reported that approximately 15,500 Jefferson County residents worked outside the county (about 40 percent of working residents). At the same time, roughly 11,270 workers from other counties commuted in (filling about 32 percent of the jobs located in the county). Crossing a county line does not necessarily mean a longer commute, especially in areas like Whitewater and Watertown that straddle county borders. Roughly 59 percent of Jefferson County's working residents traveled less than 20 minutes for work. The darker set of bars in the graph to the right shows that over a third of the workers leaving Jefferson County go to Waukesha County, principally to the cities of Waukesha and Oconomowoc. About a quarter of the workers leaving Jefferson County went to Dane County, principally to Madison. Dane and Waukesha counties enjoy low unemployment rates and high concentrations of population and employment, particularly in professional and technical fields. Housing cost differentials encourage Dane and Waukesha workers to consider living in Jefferson County.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

The table to the right lists some of the occupations with the greatest estimated employment in the Jefferson County area. The range bracketed by the 25th percentile wage and the 75th percentile wage might be called a typical wage range because a quarter of the occupation's workers earn less, a quarter earn more and about half earn a wage somewhere in the range.

Those occupations requiring less training and education tend to see lower wages and narrower wage ranges (e.g. cashiers and waiters/waitresses). These factors contribute to turnover. Many well-paid technical or professional positions congregate around groups of economic hubs such as headquarters and major operational centers. Less metropolitan areas tend to see less white collar work and more general labor, as the table indicates.

Occupation title	Hourly Wages			
	Mean	25 th	50 th	75 th
Waiters & waitresses	\$7.19	\$5.87	\$6.43	\$8.03
Retail salespersons	\$9.42	\$6.80	\$8.01	\$9.96
Team assemblers	\$12.53	\$10.09	\$12.83	\$15.28
Cashiers	\$7.60	\$6.41	\$7.38	\$8.42
Bartenders	\$9.02	\$8.08	\$9.44	\$10.32
Nursing aides, orderlies, & attendants	\$10.63	\$9.25	\$10.43	\$12.21
Laborers & freight, stock, & material movers, hand	\$10.65	\$8.42	\$10.36	\$12.68
Packers & packagers, hand	\$10.26	\$8.38	\$10.33	\$12.19
Sec. school teachers, except special & voc. ed.	-	-	-	-
Truck drivers, heavy & tractor-trailer	\$15.69	\$12.35	\$14.96	\$19.05
Janitors & cleaners, except maids & hskpg. cleaners	\$10.24	\$8.43	\$9.99	\$12.07
Registered nurses	\$22.91	\$19.49	\$22.50	\$26.15
Bookkeeping, accounting, & auditing clerks	\$12.57	\$9.76	\$12.01	\$14.51
Secretaries, except legal, medical, & executive	\$10.79	\$8.11	\$11.26	\$13.22
Correctional officers & jailers	\$15.95	\$14.19	\$15.86	\$17.95
Comb. food prep. & serving workers (fast food)	\$7.05	\$6.16	\$6.87	\$7.93
Plumbers, pipefitters, & steamfitters	\$16.61	\$10.59	\$18.85	\$21.50
Office clerks, general	\$10.36	\$8.13	\$10.14	\$12.30
Customer service representatives	\$13.52	\$8.75	\$12.17	\$16.96
Maintenance & repair workers, general	\$15.13	\$11.52	\$15.50	\$18.42

Jefferson County is part of an area which includes Dodge, Jefferson and Walworth counties.

Source: DWD, Office of Economic Advisors, special tabulation using EDS and OES 2003

Employment and Wages

Overall, Jefferson County establishments reported paying nearly 84 percent of the statewide all-industries average wage. The table to the right shows that manufacturing's average wage (\$36,590) was higher than any other sector's. The table below shows that manufacturing provided more jobs (9,460) and more payroll (\$352.7 million) than any other sector. Between 2002 and 2003, average manufacturing employment fell by 652 jobs and total wages fell by \$16.8 million while the average annual wage rose 1.9 percent. If job losses concentrated among lower-paid manufacturing workers, then the fall in manufacturing employment could increase average manufacturing wages without any individual manufacturing worker's wage rising. The average annual wage in the trade, transportation and utilities group (\$24,991) masks differences between wages in its component segments: utilities (\$54,562), wholesale trade (\$32,826), transportation and warehousing (\$31,060) and retail trade (\$20,421). Retail trade ac-

Average Annual Wage by Industry Division in 2003

	Average Annual Wage Wisconsin	Average Annual Wage Jefferson County	Percent of Wisconsin	1-year % change
All Industries	\$ 33,423	\$ 27,909	83.5%	0.3%
Natural resources	\$ 25,723	\$ 26,969	104.8%	2.1%
Construction	\$ 40,228	\$ 33,335	82.9%	1.5%
Manufacturing	\$ 42,013	\$ 36,590	87.1%	1.9%
Trade, Transportation, Utilities	\$ 28,896	\$ 24,991	86.5%	2.1%
Information	\$ 39,175	\$ 33,519	85.6%	0.9%
Financial activities	\$ 42,946	\$ 26,448	61.6%	7.0%
Professional & Business Services	\$ 38,076	\$ 22,694	59.6%	-3.7%
Education & Health	\$ 35,045	\$ 30,018	85.7%	-0.1%
Leisure & Hospitality	\$ 12,002	\$ 8,807	73.4%	1.5%
Other services	\$ 19,710	\$ 16,201	82.2%	-0.4%
Public Administration	\$ 35,689	\$ 30,018	84.1%	4.2%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

counts for 65 percent of trade, transportation and utilities jobs in Jefferson County. In the education & health services sector, the health care and social assistance segment's average wage (\$28,995) is lower than the education services segment's average wage (\$31,652). The health care and social assistance segment provides 62 percent of the sector's jobs and demographic analysis on pages 1-2 suggests that health care demand will grow faster than demand for education services.

2003 Employment and Wage Distribution by Industry in Jefferson County

	Employment		Total Payroll		
	Annual average	1-year change			
Natural Resources	613	-18	\$ 16,532,156		
Construction	1,348	69	\$ 44,935,335		
Manufacturing	9,640	-652	\$ 352,726,318		
Trade, Transportation, Utilities	7,458	-38	\$ 186,383,375		
Information	662	-10	\$ 22,189,851		
Financial Activities	898	8	\$ 23,750,468		
Professional & Business Services	2,637	632	\$ 59,843,273		
Education & Health	5,404	38	\$ 162,215,253		
Leisure & Hospitality	3,308	137	\$ 29,132,356		
Other services	734	-7	\$ 11,891,488		
Public Administration	1,460	-2	\$ 43,825,651		
Not assigned	0	0	0		
All Industries	34,162	157	\$953,425,524		

Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income

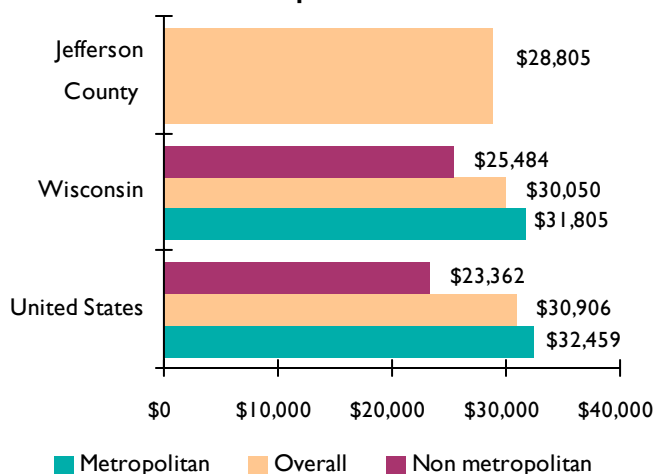
In 2002, Jefferson County's per capita personal income (\$28,805) remained above non-metropolitan Wisconsin's PCPI (\$25,484) and the national non-metropolitan PCPI (\$23,362). Between 1997 and 2002, Jefferson County's PCPI growth (23.4%) slightly exceeded Wisconsin's (22.6%) and the nation's (22.0%). Jefferson County's PCPI has been 11 percent to 16 percent above non-metropolitan Wisconsin's since 1988. In 2001, inflation outpaced Wisconsin's PCPI growth and the nation's PCPI growth.

Growth in PCPI relates to demographic shifts discussed on pages 1-2. As a greater share of the population enters retirement, more residents rely on transfer payments (such as Social Security) and fewer have net earnings (typically associated with employment). Transfer payments are not likely to grow as fast as net earnings. Households with substantial investment income (dividends, interest or rent, including retirement or pension plans) are more likely to consider warmer climates for retirement, so PCPI growth may slow.

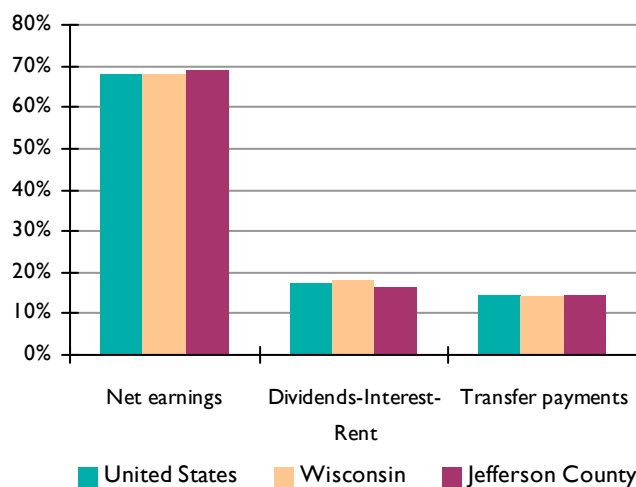
	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Non-metropolitan WI	\$20,734	\$22,195	\$22,900	\$24,059	\$24,833	\$25,484	2.6%	22.9%
Jefferson County	\$23,348	\$25,175	\$26,542	\$27,929	\$28,589	\$28,805	0.8%	23.4%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Non-metropolitan WI	\$23,240	\$24,497	\$24,728	\$25,135	\$25,226	\$25,484	1.0%	9.7%
Jefferson County	\$26,171	\$27,785	\$28,661	\$29,178	\$29,041	\$28,805	-0.8%	10.1%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004

2002 Per Capita Personal Income



Components of Total Personal Income: 2002



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

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email: Dan.Barroilhet@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.